



NEWS RELEASE

United States Department of Agriculture • Rural Development
World Wide Web: <http://www.rurdev.usda.gov>

Jim Brownlee (202) 720-4623
Tim McNeilly (202) 690-0498

USDA INVESTS \$6.9 MILLION IN BUSINESS DEVELOPMENT FOR RURAL AMERICA

Funding will Create or Save Over 550 Rural Jobs/ 53 Rural Business Ventures

WASHINGTON, Feb. 22, 2005 — Agriculture Secretary Mike Johanns announced that \$6.9 million will be invested in 13 organizations in 10 states for business development and job creation. This investment further supports President Bush's goal to create jobs and improve economic opportunities in rural communities.

"Increasing the number of entrepreneurs is part of President Bush's commitment toward enhancing America's Ownership Society – most notably by increasing business and home ownership opportunities for more Americans," said Johanns. "These grants will help create jobs and expand the economic base of their community."

Loans are made available through the USDA Rural Development Intermediary Relending Program (IRP). The aim of business revolving loan funds is to finance business facilities and community development projects in rural areas. This is achieved through loans made to intermediaries who in turn re-lend funds locally to support businesses or community development. Loans from intermediaries to the recipients must be used to establish new businesses, expand existing businesses, create employment opportunities, save jobs or complete community development projects.

The Intermediary Relending Program is an important tool in USDA Rural Development's overall toolbox of loan and grant programs," said Agriculture Acting Under Secretary for Rural Development Gilbert Gonzalez. "We are working with rural communities across the nation to enhance their economic opportunities and improve their quality of life by providing an array of investment programs that when put together bring a holistic approach to rural economic development."

In 2004, \$39.7 million in 63 revolving loan funds supported 223 businesses and created or saved over 30,000 jobs. Since 2001, the Bush Administration has invested over \$149 million to support local revolving loan funds.

-more-

Ho-Chunk Community Development Corporation (HCCDC), the non-profit arm of the Winnebago Tribe of Nebraska, Walthill, Nebraska is the recipient of \$200,000 in IRP funds. The monies will afford low-interest loans to provide gap financing for business and community development projects as dollars are relent in Thurston County. At present, 7 projects expected to create approximately 17 new jobs, await this funding. Thurston County is home to the Winnebago and Omaha Native American reservations. HCCDC anticipates 60-85 percent of the loans will be made to Native Americans.

The following applicants were also selected to receive loan funds:

Applicant	Funds to Serve	State	Loan Amount
Valley Economic Development Corporation	Los Angeles County	CA	\$500,000
Clearwater Economic Development Association, Inc.	Nez Perce County	ID	\$400,000
Prairie Hills Resource Conservation and Development, Inc.	McDonough County	IL	\$750,000
Mountain Microenterprise Fund, Inc.	Buncombe County	NC	\$250,000
Lewis and Clark Regional Development Council	Burleigh County	ND	\$450,000
Mount Washington Valley Economic Council	Carroll County	NH	\$500,000
Northern Community Investment Corporation	Coos and Carroll Counties	NH	\$750,000
Rural Nevada Development Corporation	White Pine County	NV	\$500,000
Columbia-Pacific Economic Development District	Columbia, Clatsop, Tillamook and Western Washington Counties	OR	\$400,000
Eden Economic Development Corporation	Concho County	TX	\$750,000
Palmview Economic Development Corporation	Hidalgo County	TX	\$750,000
Roma Economic Development Corporation	Starr County	TX	\$750,000

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development has invested over \$50 billion since the beginning of the Bush Administration to provide equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. As a result, over 800,000 jobs have been created or saved through these investments. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

#

Committed to the future of rural communities.